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PERSONNEL MATTERS

Report by the Director-General

Summary

Provides information on the implementation of the scheme of separation of personnel, on the composition of the Secretariat and on matters related to staff regulations and rules.

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Introduction

1. The present document is a consolidated report on a range of personnel matters combining information on:

(a) Implementation of the scheme of separation of personnel;

(b) Composition of the Secretariat, including information on informal desirable ranges of representation;

(c) Amendments to schedules IV and V of the Staff Regulations of UNIDO, related staff rules and appendices thereto, based on system-wide developments and amendments to the staff rules and appendix M thereto to reflect the new staff performance evaluation system.

I. IMPLEMENTATION OF THE SCHEME OF SEPARATION OF PERSONNEL

2. At its sixth session, the General Conference approved the programme and budgets for 1996-1997 and, in GC.6/Dec.11 (e), requested the Director-General to implement them within the cash resource availability and in accordance with the contingency plans presented by him.

3. Paragraph 21 of document IDB.14/29 provided for the possibility of a total of more than 70 Professional and higher-level posts and 160 General Service-level posts being suspended.

4. In GC.6/Dec.14 (e), the General Conference requested the Director-General to report to the Industrial Development Board at its fifteenth session on the implementation of the scheme of separation of personnel.

5. Expenditure reductions were introduced in August 1995 in response to the announcement by the United States at the fourteenth session of the Industrial Development Board of a possible sharp cut in the payment of its assessed contributions for 1995 and possibly for the 1996-1997 biennium. Among the measures introduced was the non-extension of short-term appointments and of fixed-term appointments of less than one year.

6. A staff reduction programme was introduced in November 1995, commencing with a voluntary separation programme. Details of this programme were announced to the staff on 20 November 1995 through a Director-General's bulletin UNIDO/DG/B.201. A total of 128 requests for separation were approved during the voluntary phase of the staff reduction programme, two of which materialized as transfers to other organizations within the common system. Requests for separation from a further 16 staff members were not approved on the grounds of cost effectiveness and of the requirements of maintaining essential services. One of the guiding principles throughout the staff reduction programme was the need to preserve UNIDO as a viable technical agency with the optimal human resource capacity to deliver its programmes.

7. Table 1 below contains the total number of staff who have separated or will separate from the Organization after special leave in connection with voluntary separation and after natural attrition. The figures are broken down by category, division and gender.

8. Table 2 below shows the geographical representation of staff in the Professional and higher categories whose appointments are subject to geographical distribution after implementation of the staff separations described in paragraph 6 above. Table 3 below shows the total number of staff in the Professional and higher categories and in the General Service category before and after the implementation of the expenditure reductions, the voluntary separation programme and after natural attrition.

A. Non-voluntary phase of the staff reduction programme

9. Within the parameters of the programme and budgets, 1996-1997, and related contingency plans, the programmatic objectives of the reform of UNIDO and the activities and skills that are essential to meet these objectives, as well as the posts allocated accordingly to various programmes, programme managers identified a total of 46 posts that were occupied by staff members for abolition under this phase, consisting of 10 Professional and 36 General Service posts. This number includes the posts (1 Professional, 4 Language Teachers and 1 General Service staff member) in the Language Training Unit, Division of Administration, that will be abolished as of 1 January 1997.

10. Director-General's bulletin UNIDO/DGB(M).5 of 16 January 1996 entitled "Staff reduction programme: non-voluntary measures" defined the policies, procedures and responsibilities for the non-voluntary phase of the staff reduction programme. A joint advisory body with staff participation was established, namely, the Advisory Group on Human Resource Planning. The Advisory Group consists of members nominated by the Staff Council and members nominated by the Director-General and its composition reflects divisional, geographical and gender balance.

11. The Advisory Group on Human Resource Planning was entrusted with the responsibility of reviewing and recommending to the Director-General the retention or separation of staff whose posts were identified for abolition using criteria announced to programme managers and staff at large. It has carried out an analysis of the background and qualifications of the affected staff members and has done so through an examination of their official record and, when required, through inter-

views with the staff members concerned. Managing Directors were closely involved in evaluating the potential for redeployment of staff members against available vacant posts. As a result, 16 out of the 40 staff members who were reviewed have been reassigned to alternative positions in which it was found that, following the evaluation described above, their services could be effectively utilized.

12. At the time of writing of the present report, the Advisory Group had not finalized its review of the remaining 24 staff members. Therefore, a precise figure of the number of staff to be separated under this phase or assigned to suitable posts in the field, can only be provided upon completion of the review. The review of the six staff members of the Language Training Unit whose posts will be abolished on 1 January 1997 will be undertaken at a later date.

13. Information concerning the total number of posts abolished together with the costs of the scheme of separation of personnel is contained in the documents on the implementation of the programme and budgets, 1 January to 31 March 1996 (IDB.15/5-PBC/AS.3/5) and on the update of the financial situation of UNIDO (IDB.15/3-PBC/AS.3/3).

14. In summary, it may be pointed out that the voluntary separation programme and the response by staff as described above coupled with the approach adopted by the Organization that initiated expenditure reductions already in August 1995, has minimized the scope and number of staff to be affected by non-voluntary separation from service, which is envisaged to account for only 12 per cent of total staff separations. At the same time, with respect to staff members holding fixed-term appointments and whose posts are not affected, the Organization has discontinued the interim extensions granted in the recent past, and reverted to a normal extension policy.

B. Counselling and support measures

15. In accordance with the report to the Board at its resumed fourteenth session on the financial situation of UNIDO (IDB.14/30, para. 18), a counselling and support programme was introduced in January 1996 to assist staff members separating from the Organization under both phases of the staff reduction programme. This programme, announced in Administrative Circular UNIDO/DA/AC.8 dated 3 January 1996, outlined the support measures available including training, counselling and outplacement of staff. The primary target group is staff who separate from UNIDO under the non-voluntary phase of the staff reduction programme.

16. Since the process of reducing staff is difficult and stressful for all concerned, this programme was designed to provide assistance to separating staff in the areas of:

(a) Dealing with the emotional impact of change;

(b) Informing staff on topics relevant to separation from UNIDO;

(c) Updating critical skills for career transitions;

(d) Assistance in job searching.

17. To date, UNIDO has been able to offer staff members specific workshops/seminars on managing change, resume writing, job search strategies, language training and computer-related skills.

18. Assistance was also provided to staff members in submitting applications to United Nations peace-keeping and other missions.

19. The Director-General acknowledges the support of Member States in approving the indemnity reserve and special indemnity for fixed-term staff that facilitated the staff separation programme. The cooperation of the host country in relation to the support measures and transitional visa arrangements for separating staff members is gratefully acknowledged.

20. The Director-General would like to express his appreciation for the cooperation and understanding of the staff members affected by the staff separation programme and, in spite of difficult circumstances, for the hard work and dedication of the staff who remain.

II. COMPOSITION OF THE SECRETARIAT, INCLUDING INFORMATION ON INFORMAL DESIRABLE RANGES OF REPRESENTATION

21. In connection with this item, the relevant provisions of the Constitution are reiterated, namely Article 11.5, which, *inter alia*, stipulates that "The staff shall be appointed by the Director-General under regulations to be established by the Conference upon recommendation of the Board. ... The conditions of service of staff shall conform as far as possible to those of the United Nations common system. The paramount consideration in the employment of the staff and in determining the conditions of service shall be the necessity of securing the highest standards of efficiency, competence and integrity. Due regard shall be paid to the importance of recruiting staff on a wide and equitable geographical basis".

22. Table 2 below provides information on the geographical representation of staff in the Professional and higher categories whose appointments are subject to geographical distribution after implementation of the voluntary separation programme and natural attrition. Table 3 below is a comparative table of staff by category and gender as of 1 August 1995 and 1 April 1996.

23. UNIDO follows a system of informal desirable ranges for the geographical distribution of its staff in the Professional and higher categories, which is based on the formula of the United Nations, adopted by the General Assembly in resolution 42/220 of 21 December 1987.

24. The informal desirable ranges are calculated on the basis of the United Nations formula that consists of four factors:

(a) The base figure: consists of the actual number of posts in the Professional and higher categories that are subject to geographical distribution. Excluded are posts of advisory and technical cooperation staff who are appointed on the basis of their technical expertise and are not subject to geographical distribution. The current base figure of 400 posts was established in 1992. Given the requirements of the contingency plans, the mandated vacancy rate of 7 per cent and the necessity of retaining a number of advisory posts - including posts of UNIDO Country Directors - the base figure will be reduced to 300 posts as of 1 January 1997. The number of such posts to be filled would depend on the prevailing financial situation.

(b) The membership factor: each Member State of UNIDO has a share of one post by virtue of its membership; the weight of this factor is determined by the number of Member States relative to the base figure. For example, with a membership of 168 Member States plus an additional two reserved for future membership, the weight of the membership factor is 170 posts or 57 per cent of the base figure of 300 posts.

(c) The population factor: is given a weight of 5 per cent. Posts subject to this factor are distributed among Member States in proportion to their population, with a progressive reduction in weight of population. In the example given above, 15 posts are allocated to the population factor (namely, 5 per cent of 300 posts).

(d) The contribution factor: is derived after the posts allocated to the membership and population factors are subtracted from the base figure. In the example given above, this amounts to 115 posts, or 38 per cent of the base figure. The contribution factor for each Member State would then be 1.15 (115 divided by 100), multiplied by the assessment of that Member State to the regular budget under the contribution scale.

25. Table 4 below contains information on the informal desirable ranges of geographical representation organized according to the Lists of States included in Annex I to the Constitution of UNIDO. New ranges from 1 January 1997 are calculated on a base figure of 300 posts and a membership factor of 170 posts. The current range is calculated on a base figure of 400 posts and a membership factor of 160 posts. While changes in the ranges for most countries are limited, it should be noted that the reduction of posts by 25 per cent, coupled with the increase in the number of Member States, has resulted in a reduction in the upper limit of the range for certain countries, some more pronounced than others.

Table 1

Number of staff who have or will separate from the Organization in connection with the voluntary separation programme, including natural attrition a/ as of 1 April 1996

Category	GM	CFD	RPD	HEPD	ISED	ITPD	DA	TOTAL
Professional	6	11	2	4	6	4	9	42
Female	4	4	1	1	0	0	4	14
Male	2	7	1	3	6	4	5	28
General Service	7	16	7	6	8	8	58	110
Female	7	14	5	6	7	8	29	76
Male	0	2	2	0	1	0	29	34
Total	**13**	**27**	**9**	**10**	**14**	**12**	**67**	**152**
Female	11	18	6	7	7	8	33	90
Male	2	9	3	3	7	4	34	62

a/ Figures below cover the period of 31 December through 1 April 1996.

Table 2

Staff before (31 December 1995) and after (1 April 1996) the implementation of the voluntary separation progamme and natural attrition a/

	31 December 1995					1 April 1996				
List of States	Male	%	Female	%	Total	Male	%	Female	%	Total
A and C	90	77%	27	23%	117	81	79%	21	21%	102
B	114	70%	50	30%	164	108	71%	45	29%	153
D	33	97%	1	3%	34	31	97%	1	3%	32
Others	5	83%	1	17%	6	5	83%	1	17%	6
Total	**242**	75%	**79**	25%	**321**	**225**	77%	**68**	23%	**293**

a/ In posts subject to geographical distribution .

Table 3

Comparative table of staff a/

	1 August 1995			1 April 1996 b/		
Category	Male	Female	Total	Male	Female	Total
P5 and above	110	15	125	93	12	105
P1 to P4	152	66	218	143	57	200
Subtotal	*262*	*81*	*343*	*236*	*69*	*305*
General Service	210	433	643	166	342	508
Language teachers	2	3	5	2	2	4
Subtotal	*212*	*436*	*648*	*168*	*344*	*512*
Total	**474**	**517**	**991**	**404**	**413**	**817**

a/ Headquarters staff, including UNIDO offices at Geneva and New York and 13 UCDs who are Headquarters staff members.

b/ Figures take account of expenditure reductions, natural attrition and the voluntary separation programme. All staff members opting for voluntary separation are excluded from the 1 April 1996 count whether or not they are on board on that date.

Table 4

Geographical Representation of Member States

	Current Informal Ranges	New Informal Ranges Effective 1.1.97	Staff on board as of 1.4.96
Afghanistan	1 - 2	1 - 2	1
Algeria	1 - 3	1 - 2	5
Angola	1 - 2	1 - 2	
Bahrain	1 - 2	1 - 2	
Bangladesh	1 - 3	1 - 2	1
Benin	1 - 2	1 - 2	
Bhutan	1 - 2	1 - 2	
Botswana	1 - 2	1 - 2	
Burkino Faso	1 - 2	1 - 2	
Burundi	1 - 2	1 - 2	
Cambodia	1 - 2	1 - 2	
Cameroon	1 - 2	1 - 2	3
Cape Verde	1 - 2	1 - 2	
Central African Republic	1 - 2	1 - 2	
Chad	1 - 2	1 - 2	
China	4 - 6	4 - 5	3
Comoros	1 - 2	1 - 2	
Congo	1 - 2	1 - 2	
Cote d'Ivoire	1 - 2	1 - 2	2
Democratic People's Republic of Korea	1 - 2	1 - 2	
Djibouti	1 - 2	1 - 2	
Egypt	1 - 3	1 - 2	
Equatorial Guinea	1 - 2	1 - 2	
Eritrea	1 - 2	1 - 2	
Ethiopia	1 - 3	1 - 2	1
Fiji	1 - 2	1 - 2	
Gabon	1 - 2	1 - 2	
Gambia	1 - 2	1 - 2	1
Ghana	1 - 2	1 - 2	2
Guinea	1 - 2	1 - 2	1
Guinea-Bissau	1 - 2	1 - 2	
India	3 - 5	3 - 4	7
Indonesia	2 - 3	2 - 3	1
Iran (Islamic Republic of)	2 - 3	2 - 3	3
Iraq	1 - 3	1 - 2	1
Israel	1 - 3	1 - 2	
Jordan	1 - 2	1 - 2	2
Kenya	1 - 2	1 - 2	1
Kuwait	1 - 3	1 - 2	
Kyrgyzstan	1 - 2	1 - 2	
Lao People's Democratic Republic	1 - 2	1 - 2	
Lebanon	1 - 2	1 - 2	
Lesotho	1 - 2	1 - 2	1
Liberia	1 - 2	1 - 2	
Libyan Arab Jamahiriya	1 - 3	1 - 2	
Madagascar	1 - 2	1 - 2	
Malawi	1 - 2	1 - 2	
Malaysia	1 - 3	1 - 2	1
Maldives	1 - 2	1 - 2	
Mali	1 - 2	1 - 2	
Mauritania	1 - 2	1 - 2	
Mauritius	1 - 2	1 - 2	1
Mongolia	1 - 2	1 - 2	
Morocco	1 - 2	1 - 2	3
Mozambique	1 - 2	1 - 2	
Myanmar	1 - 2	1 - 2	1
Namibia	1 - 2	1 - 2	
Nepal	1 - 2	1 - 2	

Table 4

Geographical Representation of Member States

	Current Informal Ranges	New Informal Ranges Effective 1.1.97	Staff on board as of 1.4.96
Niger	1 - 2	1 - 2	1
Nigeria	2 - 3	1 - 2	1
Oman	1 - 2	1 - 2	
Pakistan	1 - 3	1 - 2	1
Papua New Guinea	1 - 2	1 - 2	
Philippines	1 - 3	1 - 2	3
Quatar	1 - 2	1 - 2	
Republic of Korea	2 - 3	2 - 3	3
Rwanda	1 - 2	1 - 2	1
Sao Tome and Principe	1 - 2	1 - 2	
Saudi Arabia	3 - 4	2 - 3	
Senegal	1 - 2	1 - 2	1
Seychelles	1 - 2	1 - 2	
Sierra Leone	1 - 2	1 - 2	1
Somalia	1 - 2	1 - 2	2
Sri Lanka	1 - 2	1 - 2	2
Sudan	1 - 2	1 - 2	2
Swaziland	1 - 2	1 - 2	
Syrian Arab Republic	1 - 2	1 - 2	1
Thailand	1 - 3	1 - 2	
Togo	1 - 2	1 - 2	1
Tonga	1 - 2	1 - 2	
Tunisia	1 - 2	1 - 2	3
Uganda	1 - 2	1 - 2	2
United Arab Emirates	1 - 3	1 - 2	
United Republic of Tanzania	1 - 2	1 - 2	1
Vanuatu	1 - 2	1 - 2	
Viet Nam	1 - 2	1 - 2	
Yemen	1 - 2	1 - 2	
Yugoslavia a/	1 - 2	1 - 2	1
Zaire	1 - 2	1 - 2	
Zambia	1 - 2	1 - 2	1
Zimbabwe	1 - 2	1 - 2	
LIST A TOTAL	102 - 208	100 - 191	70

a/ Concerning Yugoslavia, see resolution GC(S.1)Res.1 adopted by the General Conference at its first special session.

Australia	4 - 5	3 - 4	2
Austria	2 - 3	2 - 3	11
Belgium	3 - 4	2 - 3	7
Cyprus	1 - 2	1 - 2	
Denmark	2 - 3	2 - 3	5
Finland	2 - 3	2 - 3	4
France	12 - 16	10 - 13	8
Germany	18 - 24	13 - 18	18
Greece	2 - 3	1 - 2	4
Ireland	1 - 3	1 - 2	2
Italy	9 - 12	8 - 11	11
Japan	24 - 33	22 - 30	15
Luxembourg	1 - 2	1 - 2	
Malta	1 - 2	1 - 2	1
Netherlands	4 - 5	3 - 4	8
New Zealand	1 - 3	1 - 2	2
Norway	2 - 3	2 - 3	1
Portugal	1 - 3	1 - 2	4
Spain	5 - 6	4 - 6	4
Sweden	3 - 4	3 - 4	5

Table 4

Geographical Representation of Member States

	Current Informal Ranges	New Informal Ranges Effective 1.1.97	Staff on board as of 1.4.96
Switzerland	3 - 4	3 - 4	
Turkey	2 - 3	2 - 3	5
United Kingdom	10 - 14	8 - 11	14
United States of America b/	48 - 66		22
LIST B TOTAL	161 - 226	96 - 137	153

b/ No longer Member State as of 1.1.97

Argentina	2 - 3	2 - 3	1
Bahamas	1 - 2	1 - 2	
Barbados	1 - 2	1 - 2	
Belize	1 - 2	1 - 2	
Bolivia	1 - 2	1 - 2	2
Brazil	4 - 6	4 - 5	6
Chile	1 - 2	1 - 2	2
Colombia	1 - 3	1 - 2	3
Costa Rica	1 - 2	1 - 2	2
Cuba	1 - 2	1 - 2	1
Dominica	1 - 2	1 - 2	
Dominican Republic	1 - 2	1 - 2	
Ecuador	1 - 2	1 - 2	1
El Salvador	1 - 2	1 - 2	
Grenada	1 - 2	1 - 2	
Guatemala	1 - 2	1 - 2	1
Guyana	1 - 2	1 - 2	1
Haiti	1 - 2	1 - 2	
Honduras	1 - 2	1 - 2	
Jamaica	1 - 2	1 - 2	1
Mexico	3 - 4	2 - 3	4
Nicaragua	1 - 2	1 - 2	
Panama	1 - 2	1 - 2	
Paraguay	1 - 2	1 - 2	
Peru	1 - 2	1 - 2	1
Saint Kitts and Nevis	1 - 2	1 - 2	
Saint Lucia	1 - 2	1 - 2	
Saint Vincent and the Grenadines	1 - 2	1 - 2	
Suriname	1 - 2	1 - 2	
Trinidad and Tobago	1 - 2	1 - 2	1
Uruguay	1 - 2	1 - 2	3
Venezuela	2 - 3	1 - 2	2
LIST C TOTAL	39 - 73	37 - 69	32

Albania	1 - 2	1 - 2	
Armenia	1 - 2	1 - 2	1
Azerbaijan	1 - 2	1 - 2	
Belarus	1 - 3	1 - 2	2
Bosnia and Herzegovina	1 - 2	1 - 2	
Bulgaria	1 - 3	1 - 2	1
Croatia	1 - 2	1 - 2	1
Czech Republic	1 - 2	1 - 2	1
Hungary	1 - 3	1 - 2	6
Lithuania	1 - 2	1 - 2	
Poland	2 - 3	1 - 2	3
Republic of Moldova	1 - 2	1 - 2	
Romania	1 - 3	1 - 2	
Russian Federation	19 - 25	7 - 10	15

Table 4

Geographical Representation of Member States

	Current Informal Ranges	New informal Ranges Effective 1.1.97	Staff on board as of 1.4.96
Slovakia	1 - 2	1 - 2	1
The former Yugoslav Republic of Macedonia	1 - 2	1 - 2	
Ukraine	3 - 4	3 - 4	1
LIST D TOTAL	38 - 64	25 - 44	32
Countries which acceded to the Constitution of UNIDO but are not included in any of the above lists			
Georgia	1 - 2	1 - 2	1
Slovenia	1 - 2	1 - 2	
Tajikistan	1 - 2	1 - 2	
Turkmenistan	1 - 2	1 - 2	
Uzbekistan	1 - 2	1 - 2	
Total	5 - 10	5 - 10	1
Non-Member State			
Canada			5

III. MATTERS RELATED TO STAFF REGULATIONS AND RULES

26. As reported in document IDB.13/18 (chap. IV), the General Assembly, in resolution 48/225, section I, approved a revised methodology for determining pensionable remuneration for the General Service and related categories, which was implemented with effect from 1 April 1994. As a result of the revised methodology, pensionable remuneration of General Service staff is no longer the gross salary level as was the case before the revision was introduced. Therefore, the wording used in schedules IV and V to the staff regulations on termination indemnity and repatriation grant respectively, requires adjustment to reflect the correct terminology. The appropriate wording was also introduced in the related staff rules: rules 110.07 (termination indemnity), 110.08 (commutation of accrued annual leave), 110.10 (last day for pay purposes), and appendix I to the staff rules (repatriation grant).

27. The texts of the amended schedules IV and V to the staff regulations and the related staff rules are contained in section A of the annex to the present document, in which the changes are marked by underlining and deletions are shown in square brackets. No financial implications emanate from these textual amendments as the relevant entitlements were paid and continue to be paid on the basis of the net salary scale.

28. The scale of separation payments contained in appendix C, item B, to the staff rules, having been rendered obsolete, is deleted from the staff rules. The scale was rendered obsolete through successive adjustments in the base salary scale of staff in the Professional and higher categories, the last one effective 1 March 1995, was reported on to the Board in document IDB.14/8 on personnel matters. The related staff rules have accordingly been amended to reflect the appropriate terminology, namely staff rules 110.07 and 210.04 (termination indemnity), rules 110.10 and 210.08 (last day for pay purposes), and appendix I to the staff rules (repatriation grant). The texts of the amendments are contained in sections A and B of the annex to the present document. This amendment is in line with General Assembly resolution 44/198 on the United Nations common system: report of the International Civil Service Commission (ICSC), that was reported on to the Board in document IDB.6/22 on administrative matters and announced to the staff in UNIDO/DG/B/Staff Rules/1/Rev.1. No financial implications emanate from this amendment.

29. In accordance with the procedure approved by the General Assembly in its resolution 41/208 on the United Nations pension system for adjusting the pensionable remuneration in between comprehensive reviews, and following the promulgation by ICSC of the revised scales of pensionable remuneration, appendix C to the

staff rules has been amended to show the revised scales of pensionable remuneration for the Professional and higher categories, effective 1 November 1995. The amendment of appendix C to the staff rules was announced to the staff in information circular UNIDO/DA/PS/INF.1281 of 14 December 1995.

30. The provisions of the staff rules relating to staff performance evaluation and conditions for the award of within-grade salary increments have been amended to reflect the new staff performance evaluation system that was introduced with effect from 1 January 1996. The new system highlights the importance of managerial effectiveness and accountability and stresses the link between individual and organizational performance. It applies to all staff members up to and including the level of D-2, including advisory staff. The new system, which requires that performance evaluation reports are to be made on an annual basis, clearly specifies the consequences of particular levels of individual performance and directly links the award of salary increments to the rating contained in the evaluation report. The staff rules amended are rules 104.08 (service and conduct reports), 106.02 (conditions for salary increments), 200.01 (applicability) and appendix M to the staff rules. The texts of the amendments are contained in section C of the annex to the present report, in which the changes are marked by underlining and deletions shown in square brackets.

31. At its eighty-second session in February 1995, the Consultative Committee on Administrative Questions (CCAQ) decided that staff members of United Nations common system organizations serving at specific duty stations would no longer be required to take a portion of their emoluments in the currency of the duty station. In line with this decision, staff rules 106.07 and 206.07 (b) have been amended accordingly. No financial implications emanate from this amendment. The texts of the amendments are contained in section D of the annex to the present report, in which the changes are marked by underlining and deletions are shown in square brackets.

IV. ACTION REQUIRED OF THE BOARD

32. The Board may wish to consider the adoption of the following draft decision:

"The Industrial Development Board:

"(a) Takes note of the information contained in the report by the Director-General on personnel matters (IDB.15/4) with regard to the implementation of the scheme of separation of personnel and the composition of the Secretariat, including information on informal desirable ranges of representation;

"(b) Notes the adjustment in wording to schedules IV and V to the staff regulations and to staff rules 110.07, 110.08, 110.10 and appendix I to the staff rules to bring them into conformity with the decision of the United Nations General Assembly as set out in resolution 48/225;

"(c) Also notes the deletion of appendix C, item B, to the staff rules and the adjustment in wording to staff rules 110.07 and 210.04, 110.10 and 210.08 and appendix I to the staff rules resulting from the decision of the General Assembly set out in resolution 44/198;

"(d) Notes the amendment to appendix C to the staff rules as reflected in paragraph 29 of document IDB.15/4;

"(e) Also notes the amendments to staff rules 104.08, 106.02, 200.01 and appendix M to the staff rules that reflect the new staff performance evaluation system that was introduced with effect from 1 January 1996;

"(f) Notes the amendments to staff rules 106.07 and 206.07(b) in relation to the currency of salary payments."

Annex

ADJUSTMENTS TO STAFF RULES AND REGULATIONS

A. Schedules IV and V to staff regulations

SCHEDULE IV

TERMINATION INDEMNITY

Staff members whose appointments are terminated shall be paid an indemnity in accordance with the following provisions:

(a) Except as provided in paragraphs (b), (c) and (e) below and in regulation 10.6 (b), the termination indemnity shall be paid in accordance with the following schedule:

Completed years of service	Months of gross salary less staff assessment [where applicable [a] or Months of pensionable remuneration less staff assessment, where applicable [b]]	
	Permanent appointments	Fixed-term appointments
Less than 1	Not applicable	)
1	Not applicable	) One week for each
2	3	) month of uncompleted
3	3	) service subject to a
4	4	) maximum of three
5	5	) months indemnity pay
6	6	3
7	7	5
8	8	7
9	9	9
10	9.5	9.5
11	10	10
12	10.5	10.5
13	11	11
14	11.5	11.5
15 or more	12	12

(b) A staff member whose appointment is terminated for reasons of health shall receive an indemnity equal to the indemnity provided under paragraph (a) above reduced by the amount of any disability benefit that the staff member may receive under the Regulations and Rules of the United Nations Joint Staff Pension Fund for the number of months to which the indemnity rate corresponds.

[a/ For staff in the Professional and higher categories.]
[b/ For staff in the General Service and related categories]

(c) A staff member whose appointment is terminated for unsatisfactory services or who for disciplinary reasons is dismissed for misconduct other than by summary dismissal may be paid, at the discretion of the Director-General, an indemnity not exceeding one half of the indemnity provided under paragraph (a) above.

(d) No indemnity payments shall be made to:

A staff member who resigns, except where termination notice has been given and the termination date agreed upon.

A staff member who has a fixed-term appointment which is completed on the expiration date specified in the letter of appointment.

A staff member who is summarily dismissed.

A staff member who abandons his or her post.

A staff member who is retired under the Regulations of the United Nations Joint Staff Pension Fund.

(e) Staff members specifically engaged for conference and other short-term service may be paid termination indemnity if and as provided in their letters of appointment.

SCHEDULE V

REPATRIATION GRANT

In principle, the repatriation grant shall be payable to staff members whom the Organization is obligated to repatriate. The repatriation grant shall not, however, be paid to a staff member who is summarily dismissed. Staff members shall be entitled to a repatriation grant only upon relocation outside the country of the duty station. Detailed conditions and definitions relating to eligibility and requisite evidence of relocation shall be determined by the Director-General. The amount of the grant shall be proportional to the length of service with the Organization (including any previous qualifying service with the United Nations) as follows:

Years of continuous service away from home country	Staff member with a spouse or dependent child at time of separation	Staff member with neither a spouse nor a dependent child at time of separation	
		Professional and higher categories	General Service category
	Weeks of gross salary, less staff assessment [where applicable [a/] or Weeks of pensionable remuneration less staff assessment] where applicable [a/]]		
1.....	4	3	2
2.....	8	5	4
3.....	10	6	5
4.....	12	7	6
5.....	14	8	7
6.....	16	9	8
7.....	18	10	9
8.....	20	11	10
9.....	22	13	11
10.....	24	14	12
11.....	26	15	13
12 or more....	28	16	14

[a/ For staff in the Professional and higher categories.]
[b/ For staff in the General Service category.]

B. Staff rules adjusted as a result of deletion of appendix C, item B

Rule 110.07

TERMINATION INDEMNITY

(a) Payment of termination indemnity under staff regulation 10.6 and schedule IV of the Staff Regulations shall be calculated:

(i) For staff in the Professional and higher categories, on the basis of the staff member's gross salary less staff assessment according to the schedule of rates set forth in paragraph (i) of schedule III of the Staff Regulations applied to the gross salary [according to the scales of separation payments set forth in appendix C to the Staff Rules];

(ii) For staff in the General Service and related categories, on the basis of the staff member's gross salary [pensionable remuneration], including language allowance and non-resident's allowance, if any, less staff assessment according to the schedule of rates set forth in paragraph (ii) of schedule III of the Staff Regulations applied to the gross salary alone.

(b) "Completed years of service" referred to in paragraph (a) of schedule IV of the Staff Regulations shall be deemed to comprise the total period of a staff member's full-time continuous service with the Organization, including any such service performed under a United Nations appointment immediately prior to 1 January 1986. Completed months of service shall be taken into account on a proportionate basis. Continuity of such service shall not be considered as broken by periods of special leave without pay or with partial pay, but full months of any such periods exceeding one calendar month shall not be credited as service for indemnity purposes; periods of less than one calendar month shall not affect the ordinary rates of accrual.

(c) Upon separation from service after three years or more of continuous service with the Organization, staff members in the General Service and related categories may be paid an end-of-service allowance in accordance with the terms and conditions set forth in appendix B to the Staff Rules. In cases where the staff member is eligible for payment of a termination indemnity as well as the end-of-service allowance, the staff member shall be granted either of the payments, whichever yields a greater amount.

Rule 110.08

COMMUTATION OF ACCRUED ANNUAL LEAVE

If, upon separation from service, a staff member has accrued annual leave, the staff member shall be paid a sum of money in commutation of the period of such accrued leave up to a maximum of 60 working days. The payment shall be calculated:

(i) For staff in the Professional and higher categories, on the basis of the staff member's net base salary and post adjustment applicable to his or her last duty station before separation;

(ii) For staff in the General Service and related categories, on the basis of the staff member's gross salary [pensionable remuneration], including language allowance and non-resident's allowance, if any, less staff assessment according to the schedule of rates set forth in paragraph (ii) of schedule III of the Staff Regulations applied to the gross salary alone.

Rule 110.10

LAST DAY FOR PAY PURPOSES

(a) When a staff member is separated from service, the date on which entitlement to salary, allowances and benefits shall cease shall be determined according to the following provisions:

(i) Upon resignation, the date shall be either the date of expiration of the notice period under rule 110.01 or such other date as the Director-General accepts. Staff members will be expected to perform their duties during the period of notice of resignation, except when the resignation takes effect upon the completion of maternity leave or following sick leave or special leave. Annual leave will be granted during the notice of resignation only for brief periods;

(ii) Upon expiration of a fixed-term appointment, the date shall be the date specified in the letter of appointment;

(iii) Upon termination, the date shall be the date provided in the notice of termination;

(iv) Upon retirement, the date shall be the date approved by the Director-General for retirement;

(v) In the case of summary dismissal, the date shall be the date of dismissal;

(vi) In the case of death, the date on which entitlement to salary, allowances and benefits shall cease shall be the date of death, except in the case of staff members who die in service while holding an appointment of at least one year or having completed at least one year's service and who are survived by a spouse or dependent child. In this event, the date shall be determined in accordance with the following schedule:

Completed years of service (As defined in rule 110.07)	Months of extension beyond date of death
3 or less	3
4	4
5	5
6	6
7	7
8	8
9 or more	9

Payment related to the period of extension beyond the date of death may be made in a lump sum as soon as the pay accounts and related matters can be closed. Such payment shall be made only to the surviving spouse and dependent children. For staff in the Professional and higher categories, the payment shall be calculated on the basis of the staff member's gross salary less staff assessment according to the schedule of rates set forth in paragraph (i) of schedule III of the Staff Regulations applied to the gross salary [according to the scales of separation payments set forth in appendix C to the Staff Rules]. For staff in the General Service and related categories, the payment shall be calculated on the basis of the staff member's gross salary [pensionable remuneration], including language allowance and non-resident's allowance, if any, less staff assessment according to the schedule of rates set forth in paragraph (ii) of schedule III of the Staff Regulations applied to the gross salary alone. All other entitlements and accrual of benefits shall cease as of the date of death.

(b) When an internationally recruited staff member exercises an entitlement to return travel, the last day for pay purposes shall be the date established under subparagraphs (a)(i), (ii) or (iii) above or the estimated date of arrival at the place of entitlement, whichever is later. The estimated date of arrival shall be determined on the basis of the time it would take to travel without interruption by an approved route and mode of direct travel from the duty station to the place of entitlement, the travel commencing no later than the day following the date established under paragraph (a) above.

Rule 210.04

TERMINATION INDEMNITY

(a) Project personnel whose appointments are terminated shall be paid termination indemnities in accordance with the provisions of staff regulation 10.6 and schedule IV of the Staff Regulations.

(b) "Completed years of service" referred to in paragraph (a) of schedule IV of the Staff Regulations shall be deemed to comprise the total period of the full-time continuous service with the Organization, including any such service performed under a United Nations appointment immediately prior to 1 January 1986. Completed months of service shall be taken into account on a proportionate basis. Continuity of service shall not be considered as broken by periods of special leave without pay or with partial pay, but full months of any such periods exceeding one calendar month shall not be credited as service for indemnity purposes; periods of less than one calendar month shall not affect the ordinary rates of accrual.

(c) Payment of termination indemnity shall be calculated on the basis of the staff member's gross salary less staff assessment according to the schedule of rates set forth in paragraph (i) of schedule III of the Staff Regulations applied to the gross salary [according to the scales of separation payments set forth in appendix C (200 series) to the Staff Rules].

Rule 210.08

LAST DAY FOR PAY PURPOSES

(a) When project personnel are separated from service, the date on which entitlement to salary, allowances and benefits shall cease shall be determined according to the following provisions:

(i) Upon resignation, the date shall be the date of the expiration of the notice period under rule 210.01 or such other date as the Director-General accepts;

(ii) Upon expiration of a fixed-term appointment, the date shall be the date specified in the letter of appointment;

(iii) Upon termination, the date shall be the date provided in the notice of termination;

(iv) In the case of summary dismissal, the date shall be the date of dismissal;

(v) In the case of death, the date on which entitlement to salary allowances and benefits shall cease shall be the date of death, except in the case of project personnel who die in service while holding an appointment for at least one year or having completed at least one year's service and who are survived by a spouse or dependent child. In this event, the date shall be determined in accordance with the following schedule:

Completed years of service (as defined in rule 210.04)	Months of extension beyond the date of death
3 years or less	3
4 years	4
5 years	5
6 years	6
7 years	7
8 years	8
9 years or more	9

Payment related to the period of extension beyond the date of death may be made in a lump sum as soon as the pay accounts and related matters can be closed. Such payment shall be made only to the surviving spouse and dependent children. The payment shall be calculated on the basis of the staff member's gross salary less staff assessment according to the schedule of rates set forth in paragraph (i) of schedule III of the Staff Regulations applied to the gross salary. [according to the scales of separation payments set forth in appendix C (200 series) to the Staff Rules] All other entitlements and accrual of benefits shall cease as of the date of death.

(b) When project personnel are exercising an entitlement to return travel, the last day for pay purposes shall be the date established under subparagraphs (a)(i), (ii) or (iii) above or the estimated date of arrival at the place of entitlement, whichever is later. The estimated date of arrival shall be determined on the basis of the time it would take to travel without interruption by an approved route and mode of direct travel from the duty station to the place of entitlement, the travel commencing not later than the day following the date established under paragraph (a) above.

Appendix I

REPATRIATION GRANT

Payment of repatriation grants under staff regulation 10.8 and schedule V of the Staff Regulations shall be subject to the following definitions and conditions:

(a) "Obligation to repatriate", as used in schedule V of the Staff Regulations, shall mean the obligation to return a staff member and his or her spouse and dependent children, upon separation from service, at the expense of the Organization, to a place outside the country of his or her duty station.

(b) "Home country", as used in schedule V of the Staff Regulations, shall mean the country of home leave entitlement under rule 107.03 or 207.02, or such other country as the Director-General may determine.

(c) Continuous service away from the staff member's home country shall, for the purposes of this appendix, include service performed under a United Nations appointment immediately prior to 1 January 1986. If at any time the staff member was considered to have acquired permanent residence in the country of his or her duty station and subsequently changed from such status, the staff member's continuous service will be deemed to have commenced at the time the change was made. Continuity of such service shall not be considered as broken by periods of special leave without pay or in partial pay, but full months of any such periods shall not be credited as service for the purpose of calculating the amount of the grant payable; periods of less than one calendar month shall not affect the ordinary rates of accrual.

(d) Payment of the repatriation grant shall be subject to the provision by the former staff member of evidence of relocation away from the country of the last duty station. Evidence of relocation shall be constituted by documentary evidence that the former staff member has established residence in a country other than that of the last duty station. This requirement shall not apply to any qualifying service for repatriation grant that was accrued prior to 1 July 1979.

(e) Entitlement to the repatriation grant shall cease if no claim of payment of the grant has been submitted within two years after the effective date of separation from service. However, where both husband and wife are staff members and the spouse who separates first is entitled to the repatriation grant, his or her entitlement to the repatriation grant shall cease if no claim for payment of the grant has been submitted within two years after the date of separation from service of the other spouse.

(f) Payment of the repatriation grant shall be calculated:

(i) For staff in the Professional and higher categories, including project personnel, on the basis of the staff member's gross salary less staff assessment according to the schedule of rates set forth in paragraph (i) of schedule III of the Staff Regulations applied to the gross salary [according to the scales of separation payments set forth in appendix C to the Staff Rules];

(ii) For staff in the General Service and related categories, on the basis of the staff member's gross salary [pensionable remuneration], including language allowance and non-resident's allowance, if any, less staff assessment according to the schedule of rates set forth in paragraph (ii) of schedule III of the Staff Regulations applied to the gross salary alone.

(g) Payment shall be at the rates specified in schedule V of the Staff Regulations.

(h) No payments shall be made to staff recruited locally under rule 103.06, to a staff member who abandons his or her post, to a staff member who is summarily dismissed, or to any staff member who is residing at the time of separation from service in his or her home country while performing official duties. A staff member who, after service at a duty station outside his or her home country, has served at a duty station within that

country may be paid on separation from service, subject to paragraph (d) above, the full or partial repatriation grant at the discretion of the Director-General.

(i) A dependent child, for the purpose of the repatriation grant, shall mean a child recognized as dependent under rule 106.15(b) or 200.02 at the time of the staff member's separation from service. The repatriation grant shall be paid at the rate for a staff member with a spouse or dependent child to an eligible staff member regardless of the place of residence of the spouse or dependent child.

(j) Where both husband and wife are staff members and each is entitled, on separation from service, to payment of the repatriation grant, payment shall be made to each, at the single rate, according to their respective entitlements, provided that, where dependent children are recognized, the first parent to be separated may claim payment at the rate applicable to a staff member with a spouse or dependent child. In this event, the second parent, on separation from service, may claim payment at the single rate for the period of qualifying service subsequent thereto, or, if eligible, at the rate applicable to a staff member with a spouse or dependent child for the whole period of his or her qualifying service, from which shall normally be deducted the amount of the repatriation grant paid to the first parent.

(k) Loss of entitlement to payment of return travel expenses under rule 109.10 or 209.12 shall not affect a staff member's eligibility for payment of the repatriation grant.

(l) In the event of the death of an eligible staff member, no payment shall be made unless there is a surviving spouse or one or more dependent children whom the Organization is obligated to repatriate in accordance with the provisions of staff rules 109.02, 109.03 or 209.02. If there is one such survivor, payment shall be made at the single rate; if there are two or more such survivors, payment shall be made at the rate applicable to a staff member with a spouse or dependent child.

C. Performance evaluation and within grade salary increments

Rule 104.08

SERVICE AND CONDUCT REPORTS

(a) [In the salary levels below the Deputy Director-General level] The service and conduct of a staff member shall be the subject of reports made from time to time by the staff member's supervisors as described in appendix M to the Staff Rules. Such reports shall be shown to the staff member and, subject to his or her right of rebuttal in accordance with the provisions set forth in appendix M to the Staff Rules, shall form a part of his or her permanent cumulative record.

(b) The performance report shall serve to ensure that the staff member's assigned work is effectively and efficiently carried out and also to provide a basis for career counselling for the staff member.

Rule 106.02

CONDITIONS FOR SALARY INCREMENTS

(a) Satisfactory service for the purpose of awarding a salary increment shall be defined, unless otherwise decided by the Director-General in any particular case, as satisfactory performance and conduct of staff members in their assignments as evaluated by their supervisors in the most recent annual staff performance evaluation report.

(b) Salary increments shall be effective on the first day of the pay period in which the service requirements are completed, provided that such increments shall not be effective earlier than the first day of the pay period in which a staff member returns to pay status from a period of leave without pay. No increment shall be paid in the case of a staff member whose services cease during the month in which the increment would otherwise have been due.

STAFF RULE 200.01

APPLICABILITY

(a) Staff rules 200.01 through 213.03 are applicable to all staff members appointed by the Director-General specifically for service with technical co-operation projects, hereinafter referred to as "project personnel", except that:

(i) Project personnel appointed as interregional, regional and special technical advisors shall be subject to staff rule 104.08 on service and conduct reports and the related provisions of appendix M to the Staff Rules and to staff rules 109.11 on excess baggage and unaccompanied shipments, 109.12 on removal costs and the related provisions of appendix H to the Staff Rules in lieu of staff rule 209.11 on excess baggage and unaccompanied shipments;

(ii) Staff members appointed under staff rules 100.01 through 113.04 who are detailed to technical co-operation projects for service of less than twelve months shall be subject to rules 206.12 on daily subsistence allowance in addition to rules 100.01 through 113.04;

(iii) Staff members appointed under staff rules 100.01 through 113.04 who are assigned to technical co-operation projects for service of twelve months or more shall be subject to rule 206.01 on salaries in addition to rules 100.01 through 113.04;

(iv) Project personnel who are loaned to the Organization on a reimbursable or non-reimbursable basis and who are appointed as staff members shall be governed by these rules, subject to such modifications, restrictions and exclusions as may be made in their letters of appointment in accordance with the loan agreement;

(v) Associate experts provided by Governments to serve with project personnel under bilateral agreements between the Organization and Governments shall be governed by these rules to the extent that they are made applicable by the terms of such agreements or the terms of their letters of appointment.

(b) Individuals who are recruited to serve with technical co-operation projects in the General Service category shall be appointed under staff rules 100.01 through 113.04.

(c) Individuals who are recruited for service with a Government under the technical co-operation programme for the provision of operational, executive and administrative personnel (OPEX/OPAS) shall be governed by the terms of their contracts.

(d) Individuals who are engaged on special service agreements or through any other contractual arrangements for service with technical co-operation projects shall be governed by the terms of the relevant agreements or contracts.

Appendix M

[PERFORMANCE APPRAISAL REPORT SYSTEM]
STAFF PERFORMANCE EVALUATION REPORT SYSTEM

(a) As stipulated in staff rule 104.08, the service and conduct of staff members shall be the subject of reports made from time to time by their supervisors.

(b) Performance evaluation [appraisal] reports will be made on the following occasions:

(i) After 12 months of probationary service;

(ii) On an annual basis [every two years].

(c) In addition, unless a report has been made during the last six months, it will be required on the following occasions:

(i) If the staff member is assigned to another organizational unit within the UNIDO Secretariat or to a mission for a period of six months or longer;

(ii) If the staff member is transferred to another organization of the United Nations common system or separates from service;

(iii) If the immediate supervisor is about to leave on another assignment or to be separated from the Secretariat.

(d) If the staff member, upon receipt of the report, does not agree with its content, he or she may submit, within one month, a statement of explanation. The statement of explanation can relate to any comment or rating in the report; it will be placed on the staff member's Official Status File. It is, however, not a rebuttal.

(e) A rebuttal may be submitted within one month of receipt of the report if the staff member has received and does not agree with an overall rating given in part IV which indicates that the performance needs improvement (rating D) or is not satisfactory (rating E) [4.1 which indicates that he or she has not fully achieved the expected results]. The rebuttal may cover one or all parts of the report.

(f) The rebuttal is a formal procedure of investigation by a panel of three persons selected by the staff member from a list of five persons senior in grade to the staff member. The list will normally be proposed by the appraising [last reporting] officer. Following the investigation the panel will submit its report normally to the appraising [last reporting] officer, who will record his or her appraisal in writing.

(g) The within-grade salary increment provided for in Staff Regulation 6.1 and Staff Rule 106.01 shall be withheld if the overall rating given in part IV of the staff performance evaluation report is that the performance needs improvement (rating D) or is not satisfactory (rating E).

(h) Special reports shall be made by the head of the division in the form of a memorandum relating directly to the facts requiring the action when:

(i) events warranting the withholding of the salary increment occur subsequent to the most recent performance evaluation which would otherwise have served as the basis for the salary increment;

[(i) There is a recommendation from the department to withhold the within-grade salary increment on the grounds that the staff member does not meet the requirements stipulated in staff rule 106.02, as evaluated by his or her supervisor. This report must be submitted before the salary increment is due;] or

(ii) there is a recommendation for termination of appointment for unsatisfactory service.

(i) Within one month of receipt of the special report, the staff member may submit a rebuttal, which will also be subject to investigation by a rebuttal panel as referred to in paragraph (f) above.

(j) A staff member may request a special report in respect of any assignment of less than six months in another organizational unit.

D. Staff rules related to currency of salary payments

Rule 106.07

CURRENCY OF SALARY PAYMENTS

In general, all salaries and allowances shall be payable in the currency of the duty station. Staff members in the Professional and higher categories whose salaries and allowances are established in the Staff Regulations and staff members in the General Service category having non-local status, however, may at their request be paid part or all [a proportion]of their total emoluments in a currency other than that of their duty station unless otherwise determined by the Director-General [The Director-General shall from time to time determine the proportion that may be so paid].

Rule 206.07

CURRENCY OF SALARY PAYMENTS

(a) The salary, allowances and separation payments due to project personnel under these rules shall be paid in the currency or currencies specified by the Director-General.

(b) The salary and allowances may be paid in not more than two currencies.:

[(b) A portion of the salary and dependency allowances of project personnel shall normally be paid in the currency of the country of the duty station and the remainder in one other currency.]

(c) The rates of exchange for the conversion of currencies shall be the United Nations accounting rates of exchange applicable at the date of payment.